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EXHIBIT N

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IN THE UNITED STATES DISTRICT COURT

EASTERN DISTRICT OF MICHIGAN

SOUTHERN DIVISION

GLS LEASCO, INC. and)
CENTRAL TRANSPORT, LLC,)
Plaintiffs,) Case No.
-vs-) 23-cv-12927
NAVISTAR, INC.,)
Defendant.)

CONTAINS CONFIDENTIAL INFORMATION

The deposition of GUY SEAN CARMICHAEL,
called for examination, taken pursuant to the
Federal Rules of Civil Procedure of the United
States District Courts pertaining to the
taking of depositions, taken before ALICE M.
SCHWINGER, CSR NO. 84-2913, a Certified Shorthand
Reporter of the State of Illinois, at 2020 Calamos
Court, Naperville, Illinois, on the 21st day of
August, A.D. 2024, commencing at 9:02 a.m.

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<p style="text-align: center;">Page 18</p> <p>1 Q. Okay. And who would be the person that 2 would -- if you said you had a sit-down meeting, 3 who would be the person you would meet with to 4 discuss that number?</p> <p>5 A. Jeff Felix.</p> <p>6 Q. And then you said that sometimes, based 7 on production and so forth, that number could be 8 adjusted throughout the year?</p> <p>9 A. Correct.</p> <p>10 Q. All right. And how is that adjustment 11 conveyed to you? The same way?</p> <p>12 A. The same way. It could be based on the plant. You know, they could send out a memo or note, or it could be through executive leadership.</p> <p>13 Q. All right. And, again, as far as you're 14 aware, that -- that will be recorded somewhere, 15 written down for you to review?</p> <p>16 A. I don't want to commit to that because it could be a verbal as well.</p> <p>17 Q. All right. Well, you've seen it in writing before. Let's put it that way.</p> <p>18 A. I've heard it verbally as well.</p> <p>19 Q. Okay. You've heard it verbally, but 20 have you also seen it in writing?</p>	<p style="text-align: center;">Page 20</p> <p>1 that was affiliated with the plant; is that right?</p> <p>2 A. That's correct.</p> <p>3 Q. When you say "the plant," are you 4 talking about the CRC?</p> <p>5 A. It's one and the same, yes, sir.</p> <p>6 Q. Okay. So it wouldn't be physically 7 somebody in -- in the Escobedo plant in Mexico. It 8 would be somebody in CRC making those changes, is 9 what you're saying?</p> <p>10 A. They could be in CRC, and they could be in Escobedo. Each plant is run separately.</p> <p>11 Q. And during this time frame, again, we're 12 talking 2021 through 2023, who was in charge of 13 CRC, as far as you knew?</p> <p>14 A. I don't recall who's --</p> <p>15 Q. Okay. Do you know who Maria Averhart 16 is?</p> <p>17 A. Yes.</p> <p>18 Q. Was she --</p> <p>19 A. She was on board at that time, yes.</p> <p>20 Q. Okay. And was she, as far as you knew, 21 that she was -- if we were looking for the person 22 who was in charge of CRC, is it Maria or is it 23 somebody else?</p>
<p style="text-align: center;">Page 19</p> <p>1 A. Depends on the case, sir.</p> <p>2 Q. In any case, have you ever had the -- 3 you're the one that brought up this concept that 4 the number you're given at the beginning of the 5 year can change from time to time, and I'm asking 6 you, is that change, the time you've been at 7 Navistar, ever been conveyed to you in writing?</p> <p>8 A. Upon occasion, yes.</p> <p>9 Q. And who would be the person that would 10 convey that to you, whether verbally or in writing?</p> <p>11 A. It could be the plant, somebody at the plant, or a Jeff Felix.</p> <p>12 Q. All right. So you're saying somebody at 13 the plant is able to change your forecast that 14 is -- that's part of your evaluation?</p> <p>15 A. Yes, they can.</p> <p>16 Q. All right. Who at the plant would have 17 that power?</p> <p>18 A. I don't have those names, sir.</p> <p>19 Q. All right. Yesterday -- well, you 20 weren't here, but you're aware that Mr. Akinoshio 21 was deposed yesterday?</p> <p>22 A. Yes, sir.</p> <p>23 Q. And he discussed the CRC, and he said</p>	<p style="text-align: center;">Page 21</p> <p>1 A. That would be who I would contact, yes, sir.</p> <p>2 Q. Do you know where she actually 3 physically is located?</p> <p>4 A. No, I do not.</p> <p>5 Q. I have here, just to kind of speed up 6 the process, could you -- we're going to mark this 7 as 1 --</p> <p>8 THE COURT REPORTER: 143.</p> <p>9 BY MR. DAVIS:</p> <p>10 Q. As 143.</p> <p>11 (WHEREUPON, a certain document was 12 marked Exhibit No. 143, for 13 identification, as of August 21, 14 2024.)</p> <p>15 BY MR. DAVIS:</p> <p>16 Q. And 143 is a copy that I printed a 17 couple of days ago off your LinkedIn page. Does 18 this appear to be your LinkedIn page, sir?</p> <p>19 A. Yes, sir.</p> <p>20 Q. All right. So looking at experience, 21 you've listed vice president of sales for the 22 southwest region as your current title, and then 23 you list two other positions at Navistar, director</p>

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<p style="text-align: right;">Page 22</p> <p>1 of dealer sales, director of fleet sales. Are 2 those titles accurate? 3 A. Yes, sir. 4 Q. All right. And are those dates accurate 5 as well? 6 A. To the best of my knowledge, yes, sir. 7 Q. Is this -- you created your LinkedIn 8 profile, I assume; right? 9 A. I have a -- I have an admin that updates 10 my profile. 11 Q. Okay. Are there any other positions 12 you've held at Navistar besides the three listed on 13 your LinkedIn profile? 14 A. No, sir. 15 Q. All right. And then prior to that, the 16 employer you have listed is Chicago International; 17 is that right? 18 A. Yes, sir. 19 Q. And is that the position -- is that the 20 job you held immediately before joining Navistar? 21 A. Yes. 22 Q. And what is Chicago International? 23 A. Chicago International is a truck dealer 24 that -- under the International brand.</p>	<p style="text-align: right;">Page 24</p> <p>1 A. It entailed going out and making sure 2 that the dealers had the support they needed, 3 whether it be our holding up them to compliance, 4 whether it be signage, could be a variety of 5 things. Understanding what their parts inventory 6 looked like, new truck inventory on the ground, 7 aged inventories, things like that. 8 Q. In your current position as vice 9 president of sales, does the -- I assume there is a 10 new director of sales, or there is a director of 11 sales, still? 12 A. Yes, sir. 13 Q. Okay. And is that somebody that reports 14 to you? 15 A. Yes, sir. 16 Q. All right. Who is the director of sales 17 just in this time frame, from July 2021 to the 18 present? 19 A. We did not have one. 20 Q. Didn't have one. Who was performing 21 duties that normally would have been performed by 22 that person? 23 A. I would have been. 24 Q. Okay. So you were also acting as the --</p>
<p style="text-align: right;">Page 23</p> <p>1 Q. So it's a dealership? 2 A. Yes, sir. 3 Q. All right. And based in Rockford, 4 Illinois; is that right? 5 A. That is not correct. So looking at 6 this, I was the branch manager in Rockford. Used 7 truck, when I held that position, I was in Huntley, 8 Illinois. And same with the trailer. 9 Q. Okay. 10 A. That was where the corporate -- main 11 corporate location was. 12 Q. All right. And then prior to -- that's 13 the last employer you have listed. Where did you 14 work prior to Chicago International? 15 A. Excuse me. Sorry about that. Family 16 business, construction business here in Illinois. 17 Q. All right. And what's your educational 18 background? 19 A. I've had some college, but from a 20 dealership side, the ATD Academy. ATD, American 21 Truck Dealer Academy. 22 Q. Okay. Going back to your Navistar 23 experience, when you were director of dealer sales, 24 what did that entail?</p>	<p style="text-align: right;">Page 25</p> <p>1 A. Yes. 2 Q. -- dealer sales director? 3 And Mr. Akinoshio yesterday said that he 4 was a truck sales manager during the time in 5 question. Does that sound right? 6 A. Yes. 7 Q. Okay. And is that a position that would 8 have reported to director of dealer sales, or is it 9 on the same level? 10 A. I have all my TSMs report directly to 11 me, even today. 12 Q. All right. You're saying you do have a 13 director of dealer sales now? 14 A. Correct. 15 Q. Okay. When -- who is that? 16 A. His name is Chas Voyles. 17 Q. And when did he start? 18 A. Probably roughly about 16 months ago 19 for -- in this position. 20 Q. All right. I was going to say, we've 21 seen Chas Voyles' name in documentation. 22 A. Yes, sir. 23 Q. So what was his position before that, 24 then?</p>

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<p style="text-align: center;">Page 134</p> <p>1 suggesting that he was -- would be okay with that 2 schedule not being followed?</p> <p>3 A. No, it's not a conversation we had.</p> <p>4 Q. All right. So let's talk about this. 5 So even -- so you didn't sign this in -- 15, you 6 didn't sign it until 7/29. That was when the final 7 agreement was signed by all three parties; right?</p> <p>8 A. Yes.</p> <p>9 Q. Okay. Now, is it fair to say that you 10 knew -- well, actually, let me ask one more 11 question. You couldn't have signed that without 12 the executive committee signing off and allowing 13 you to sign it; right?</p> <p>14 A. Correct.</p> <p>15 Q. Okay. So if that deal was signed on the 16 29th, that was signed with the approval of the 17 executive committee?</p> <p>18 A. If that deal was signed on the 29th, I 19 would have had approval prior to signing it myself, 20 yes.</p> <p>21 Q. Okay. And that's the case on all the 22 deals. You said certain deals, executive committee 23 has to be involved. If the executive committee is 24 involved, they're the ones that have to authorize</p>	<p style="text-align: center;">Page 136</p> <p>1 right. This is a document that says Board of 2 Directors Operating Plan. Have you seen this 3 document before, or have you seen documents like 4 this before?</p> <p>5 A. Yeah, I have seen them in the past. I 6 don't know if I've seen this exact one.</p> <p>7 Q. Well, but it's fair to say that you 8 would receive copies of these presentations -- and 9 we'll go over some of that later on -- but you 10 would sometimes receive copies of this from Belisle 11 or from others; correct?</p> <p>12 A. Yes, I mean, potentially we would. 13 Otherwise, he would share the information on a 14 call.</p> <p>15 Q. Okay. So it could be on a call as well. 16 So I'd like you to turn to -- if you look at the 17 little bottom -- at the bottom, there's numbers, 18 63271, turn to that page.</p> <p>19 A. Okay.</p> <p>20 Q. I may have jumped ahead. One moment. 21 Actually, I apologize. Go back a couple of pages, 22 63269.</p> <p>23 A. Yes, sir.</p> <p>24 Q. All right. So you see here in this</p>
<p style="text-align: center;">Page 135</p> <p>1 you to sign; right?</p> <p>2 A. Can you repeat that statement?</p> <p>3 Q. Sure. You had mentioned earlier that at 4 a certain SPA level, that's when executive 5 committee is called into action, I guess, for lack 6 of a better word. When that happens, they are the 7 ones that have to authorize you to sign off on the 8 final deal?</p> <p>9 A. Yes, sir.</p> <p>10 Q. Okay. And if they're not involved, then 11 you have the authority to sign off; is that right?</p> <p>12 A. We go -- we still have a process through 13 CSA, yes.</p> <p>14 Q. I see. All right. So you would agree 15 at the time this agreement was signed in July -- on 16 July 29, 2021, that Navistar already knew that the 17 demand for new trucks exceeded supply for 2022?</p> <p>18 MR. SALLAH: Object to foundation.</p> <p>19 BY THE WITNESS:</p> <p>20 A. I don't know that I can answer that.</p> <p>21 BY MR. DAVIS:</p> <p>22 Q. All right. Let me give you Exhibit 112, 23 which was used yesterday with Mr. Akinosh.</p> <p>24 Actually, let me see one -- I just need to -- all</p>	<p style="text-align: center;">Page 137</p> <p>1 document that was produced for the Navistar Board 2 of Directors, it says: Business environment and 3 customer demand exceeds supplier capacity. And 4 under Navistar impacts, it says: 2022 order board 5 filled in May 2021.</p> <p>6 Do you see that?</p> <p>7 A. Yes.</p> <p>8 Q. Do you have any reason to doubt that was 9 accurate?</p> <p>10 A. Based on this, no.</p> <p>11 Q. Okay. And that's something that would 12 have been conveyed to you, given your role as vice 13 president; right?</p> <p>14 A. Yes.</p> <p>15 Q. And certainly would have been something 16 that would have been known to the executive 17 committee people at the level of Belisle and Dan 18 Kayser and people like that; right?</p> <p>19 A. Yes.</p> <p>20 Q. Okay. And Mr. Akinosh discussed what 21 that means for the order board to be filled. Your 22 understanding would also be that the 2022 order 23 board being filled is that -- he described it as 24 there is a cup and the cup can only be filled with</p>

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<p style="text-align: center;">Page 138</p> <p>1 so much water, and the order board is filled when 2 there is no more room left in the cup. Is that a 3 fair analogy?</p> <p>4 A. Yes.</p> <p>5 Q. Okay. So as of -- so you would 6 interpret this to mean as of May 2021, there had 7 already been sufficient orders from customers to 8 fill the 2022 production?</p> <p>9 A. I wouldn't say just customers. I would 10 say dealers.</p> <p>11 Q. Dealers and customers.</p> <p>12 A. Dealers and customers.</p> <p>13 Q. Because dealers get a portion of those 14 trucks, and then they sell them on to end 15 customers?</p> <p>16 A. They would have an allocated number to 17 them.</p> <p>18 Q. Okay. So -- but both of those, the 19 order board consists of both of those things, both 20 the co-op and the dealer allocations; correct?</p> <p>21 A. Everything, yes.</p> <p>22 Q. Everything. All right. I'm going to 23 show you -- this will be Exhibit 150.</p> <p>24</p>	<p style="text-align: center;">Page 140</p> <p>1 Q. Okay. All right. And, again, this is 2 in that same time frame of May 2021. This e-mail 3 is consistent with the order board being filled as 4 of May 2021. You're having to make allocation 5 decisions because we don't have -- you don't have 6 the capacity to shift orders the way you normally 7 would; right?</p> <p>8 A. It would be a review of what we have on 9 the order board.</p> <p>10 Q. All right. And what I'm saying is that 11 this e-mail, you would agree, is consistent with 12 the board of directors' statement that the order 13 board was filled as of May of 2021; right?</p> <p>14 MR. SALLAH: Object to form.</p> <p>15 BY THE WITNESS:</p> <p>16 A. I think when you look at the top 75 17 customers like Central and GLS are in, that's in a 18 different bucket than what this is referring to 19 here, in my opinion, based on what I know today.</p> <p>20 BY MR. DAVIS:</p> <p>21 Q. All right. So regardless of whether you 22 think this document refers to that, again, you 23 don't have any basis to believe the order board 24 wasn't filled as of May 2021?</p>
<p style="text-align: center;">Page 139</p> <p>1 (WHEREUPON, a certain document was 2 marked Exhibit No. 150, for 3 identification, as of August 21, 4 2024.)</p> <p>5 BY MR. DAVIS:</p> <p>6 Q. All right. Here's Exhibit 150, and this 7 is an e-mail from you to Wale Akinosh. And the -- 8 people -- other people here are the other TSMs in 9 your region; is that right?</p> <p>10 MR. SALLAH: Can I have a copy?</p> <p>11 MR. DAVIS: Oh, I'm sorry.</p> <p>12 MR. SALLAH: That's okay.</p> <p>13 MR. DAVIS: There you go.</p> <p>14 MR. SALLAH: Thanks.</p> <p>15 BY THE WITNESS:</p> <p>16 A. Yes.</p> <p>17 BY MR. DAVIS:</p> <p>18 Q. All right. And you're telling the team 19 that we had a call late Friday to discuss next 20 year's production forecast. Right?</p> <p>21 A. Yes.</p> <p>22 Q. And is that a call that you would have 23 had with Mr. Felix or Mr. Belisle?</p> <p>24 A. Or the plant, correct.</p>	<p style="text-align: center;">Page 141</p> <p>1 A. I cannot not confirm other than the 2 presentation that you showed me.</p> <p>3 Q. All right. Would you agree that you 4 knew that there were already production issues in 5 20 -- well, let me just ask you this. I'll send 6 you another document that you are on.</p> <p>7 A. Are we done with this one?</p> <p>8 Q. Yeah, we're done with that one.</p> <p>9 All right. This is 151.</p> <p>10 (WHEREUPON, a certain document was 11 marked Exhibit No. 151, for 12 identification, as of August 21, 13 2024.)</p> <p>14 BY MR. DAVIS:</p> <p>15 Q. So this is an e-mail from you to Jim 16 Lollis, copying Fink and Robichaud on June 25, 17 2021; correct?</p> <p>18 A. Correct.</p> <p>19 Q. And this is about a month, a little bit 20 more than a month before the agreement was signed 21 on July 29. You would agree with that; right?</p> <p>22 A. Yes.</p> <p>23 Q. And you're saying to Lollis that: We 24 need to make sure Kyle knows that every week that</p>

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<p>1 A. Correct.</p> <p>2 Q. All right. Now, going back to the 3 discovery requests at the very beginning. I'm 4 going to ask you to look at -- I believe it was the 5 very first document I gave to you.</p> <p>6 THE COURT REPORTER: 143?</p> <p>7 BY MR. DAVIS:</p> <p>8 Q. Yeah, 143, I believe. It should be the 9 responses to the first interrogatories. Yeah, 10 the responses -- the answers to GLS Leasco's first 11 set of interrogatories. Do you have that one?</p> <p>12 A. I'm sorry. Say it again.</p> <p>13 Q. Navistar's answers to GLS/Leasco's first 14 set of interrogatories.</p> <p>15 A. Yes.</p> <p>16 Q. Okay. And what exhibit is that? I'm 17 sorry. What's the exhibit number on that, then?</p> <p>18 A. It says 110.</p> <p>19 Q. Oh, 110. Yep, 110. There we go. All 20 right. So I want to ask you to turn to -- again, 21 the interrogatory answer to number 7, we talked 22 about part of this before. It's on pages 7 and 8. 23 And you see there it indicates that you have 24 general knowledge of, quote, supply chain issues</p>	<p>1 A. Yes.</p> <p>2 Q. Okay. Is that accurate, you have 3 general knowledge of supply chain issues and 4 delays?</p> <p>5 MR. SALLAH: Object to form.</p> <p>6 BY MR. DAVIS:</p> <p>7 Q. Go ahead.</p> <p>8 A. I would say general, yes.</p> <p>9 Q. Okay. Well, let's talk about that. So 10 what are -- what were the supply chain issues and 11 delays that you claim related to specifying and 12 ordering Model Year 23 trucks?</p> <p>13 A. Not excluding or including all, I'm just 14 going to rattle off what I believe to be off the 15 top of my head. We could have frame rail issues. 16 We could have engine, you know, availability 17 issues. We could have collision mitigation type 18 issues. We could have brake issues, amongst many 19 others.</p> <p>20 Q. Okay. What was the frame rail issue?</p> <p>21 A. Shortage. Plant burned down.</p> <p>22 Q. When did that happen?</p> <p>23 A. I don't have the exact dates. Sometime 24 during that calendar year, I believe.</p>
<p style="text-align: center;">Page 203</p> <p>1 and delays in specifying and ordering Model Year 23 2 trucks and communications with GLS regarding the 3 same.</p> <p>4 Do you see that?</p> <p>5 A. No.</p> <p>6 Q. Pages 7 and 8.</p> <p>7 MR. SALLAH: Are we looking at --</p> <p>8 BY MR. DAVIS:</p> <p>9 Q. Maybe he's looking at the second. I'm 10 asking about the first interrogatory responses.</p> <p>11 MR. SALLAH: Okay. Because you said 12 Interrogatory No. 5.</p> <p>13 BY MR. DAVIS:</p> <p>14 Q. I'm sorry. It's Interrogatory No. 3. 15 Let me -- hand me that exhibit, sir. Let's make 16 sure.</p> <p>17 It's Exhibit 110, and so I'm asking 18 pages 7 at the bottom and then spills over onto 8.</p> <p>19 A. Could you repeat your question?</p> <p>20 Q. Sure. It says that you have general 21 knowledge of, quote, supply chain issues and delays 22 in specifying and ordering Model Year 23 trucks and 23 communications with GLS regarding the same.</p> <p>24 Do you see that?</p>	<p style="text-align: center;">Page 205</p> <p>1 Q. What calendar year?</p> <p>2 A. 2023.</p> <p>3 Q. Did that --</p> <p>4 A. I'm sorry. 2022.</p> <p>5 Q. But you don't remember what month?</p> <p>6 A. No, sir.</p> <p>7 Q. What plant? Where at?</p> <p>8 A. I don't know where it's at. I believe 9 it's in Mexico, but I'm not certain.</p> <p>10 Q. And frame rails for what vehicles?</p> <p>11 A. For all of our product issues -- our 12 products.</p> <p>13 Q. Okay. What was the -- the next one you 14 said was engine availability. What was the issue 15 there?</p> <p>16 A. Again, as we discussed earlier, the A26 17 engines available for putting in trucks.</p> <p>18 Q. And when did those issues start arising?</p> <p>19 A. I would say first half of 2022.</p> <p>20 Q. And is that the issue that required 21 shifting some trucks over to the X15 engine?</p> <p>22 A. That would be correct.</p> <p>23 Q. Okay. And those shifts happened in 24 March of 2022. Do you have any reason to dispute</p>

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<p style="text-align: right;">Page 206</p> <p>1 that?</p> <p>2 A. I would have to see further detail, but</p> <p>3 that's in the wheelhouse.</p> <p>4 Q. Okay. So you have -- you couldn't tell</p> <p>5 me any other specific date --</p> <p>6 A. I couldn't tell you exact dates, no,</p> <p>7 sir.</p> <p>8 Q. All right. When you say "collision,"</p> <p>9 what issue are you talking about there?</p> <p>10 A. One of our suppliers, I don't know if it</p> <p>11 was Bendix or Meritor, whatever -- one that Kyle</p> <p>12 puts on his equipment, had an issue being able to</p> <p>13 supply us the actual component, and I believe that</p> <p>14 forced us into a prewire situation.</p> <p>15 Q. And you would agree that happened early</p> <p>16 in 2022; correct?</p> <p>17 A. It could have been late 2021, rolling</p> <p>18 into early 2022.</p> <p>19 Q. All right. And then what's the brake</p> <p>20 issue you're talking about?</p> <p>21 A. I believe, again, availability of</p> <p>22 product from a vendor that they inspect our trucks</p> <p>23 with.</p> <p>24 Q. Well, what company? What company's</p>	<p style="text-align: right;">Page 208</p> <p>1 Q. Anything else?</p> <p>2 A. No, that should do it.</p> <p>3 Q. All right. This will be Exhibit 156.</p> <p>4 (WHEREUPON, a certain document was</p> <p>5 marked Exhibit No. 156, for</p> <p>6 identification, as of August 21,</p> <p>7 2024.)</p> <p>8 BY MR. DAVIS:</p> <p>9 Q. Okay. This is an e-mail chain, Dan</p> <p>10 Kayser to Mark Belisle, Paul Martin, Justina</p> <p>11 Morosin, and copying David Brown, Kat Burn, and Dan</p> <p>12 Kayser. Who is Dan Kayser, again?</p> <p>13 A. Dan Kayser, at the time this letter was</p> <p>14 written or this e-mail was typed, he was head of</p> <p>15 national accounts.</p> <p>16 Q. Okay. And we know who Mark is. Paul</p> <p>17 Martin, you have mentioned. Who is Justina</p> <p>18 Morosin?</p> <p>19 A. She's over the bus.</p> <p>20 Q. Okay. David Brown, you've discussed.</p> <p>21 Who is Kat Burn?</p> <p>22 A. I believe she is David Brown's</p> <p>23 counterpart for national accounts.</p> <p>24 Q. All right. And the subject here is</p>
<p style="text-align: right;">Page 207</p> <p>1 brakes --</p> <p>2 A. I don't know if it was, again, Meritor</p> <p>3 or Bendix. I really don't.</p> <p>4 Q. And when was that?</p> <p>5 A. I would say, guesstimate, Q3.</p> <p>6 Q. Q3 of when?</p> <p>7 A. 2022.</p> <p>8 Q. Any other issues that -- supply chain</p> <p>9 issues that you believe impacted the Central deal?</p> <p>10 A. These are the ones off the top of my</p> <p>11 head that I can remember today.</p> <p>12 Q. Okay. So you -- there's no more that</p> <p>13 you have today that you can discuss?</p> <p>14 A. I'm sorry?</p> <p>15 Q. Nothing else you can remember today?</p> <p>16 A. Correct.</p> <p>17 Q. All right. What would you look at to</p> <p>18 refresh your recollection?</p> <p>19 A. What would I look at to refresh my</p> <p>20 recollection? I would have to go back through some</p> <p>21 lists of, you know, as we laid out this deal</p> <p>22 between Jim and the componentry that was actually</p> <p>23 built with -- on the spec because that will give me</p> <p>24 some timing, order changes.</p>	<p style="text-align: right;">Page 209</p> <p>1 Goran timeline. This is about the time that Göran</p> <p>2 Nyberg was joining Navistar; correct?</p> <p>3 A. I don't know what day he joined. And</p> <p>4 it's pronounced Göran.</p> <p>5 Q. Göran. This was around the time -- I'm</p> <p>6 not -- I didn't ask you if you know the specific</p> <p>7 day. He joined in early 2022; is that right?</p> <p>8 A. I stick to my original statement. I</p> <p>9 don't know when he joined.</p> <p>10 Q. You don't know. All right. So have you</p> <p>11 ever seen this timeline before?</p> <p>12 A. Not that I recall.</p> <p>13 Q. I'm going to -- one second. Let me just</p> <p>14 show you a final version of this.</p> <p>15 Attached is 157. I'm giving you 157.</p> <p>16 (WHEREUPON, a certain document was</p> <p>17 marked Exhibit No. 157, for</p> <p>18 identification, as of August 21,</p> <p>19 2024.)</p> <p>20 BY MR. DAVIS:</p> <p>21 Q. All right. And what I've handed you is</p> <p>22 157 is an e-mail dated March 2, 2022, and it has</p> <p>23 attached an agenda for a commercial team meeting</p> <p>24 and a two-year timeline of events and then a</p>

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<p>1 Q. All right. Going down further, it says: 2 QLS sensors became major hurdle to keeping trucks 3 on the road. Over 10k units down with no QLS 4 sensors and supplier issues. 5 Do you see that? 6 A. Yes. 7 Q. Do you recall that? 8 A. I do recall the QLS issues. 9 Q. Is that an issue that impacted the 10 Central deal at all? 11 A. I can't confirm or deny. I know it was 12 an industry thing. 13 Q. But regardless, that was an issue that 14 had already arisen by that July to August 2021 time 15 frame? 16 A. In that time frame. 17 Q. Okay. It says: Allison TCM becomes 18 gating supply issue with over 6,000 in offline 19 through the summer. 20 What is Allison TCM? 21 A. A truck -- it's -- doesn't -- has no 22 bearing on Central orders, but it's a TCM. It's an 23 electric brain box. 24 Q. Okay.</p>	<p>1 modules become gating supplier causing significant 2 downtime and increased offline. 3 Do you see that? 4 A. Yes. 5 Q. Is that the Bendix that you were 6 referring to earlier? 7 A. Yes. 8 Q. What is gating supply -- or gating 9 supplier mean? 10 A. I'm not familiar with that statement. 11 Q. Okay. But that was an issue that was 12 preventing the completion of trucks; correct? 13 A. It was a -- yes, based on a supply 14 issue. 15 Q. Okay. So you're saying that the Bendix 16 issues that you discussed were known to Navistar in 17 November or December of 2021? 18 A. No. 19 MR. SALLAH: Object to foundation. 20 BY MR. DAVIS: 21 Q. Go ahead. 22 A. No, I'm not stating the time frame. I'm 23 saying I'm aware that we had a Bendix issue that 24 was affecting production.</p>
<p style="text-align: center;">Page 215</p> <p>1 A. And Allison as in Allison Transmission. 2 That's not something that Kyle runs or GLS. 3 Q. All right. September to October, 4 looking -- of 2021, looking down five bullets: 5 Decision made to reduce 2022 order board from 6 86,000 expected production to 70,000 units. 7 Announced to field team and dealers and customers 8 that we are losing at least 40 percent of expected 9 2022 production. 10 Is that your recollection of that time 11 frame as well? 12 MR. SALLAH: Object to foundation. 13 BY THE WITNESS: 14 A. I don't -- again, the losing production, 15 yes. Validating those time frames, I would just 16 have to go off of what was written by an executive 17 here. 18 BY MR. DAVIS: 19 Q. All right. Well, my question is you, as 20 a witness, don't have anything to suggest that this 21 is incorrect? Let me ask you that. 22 A. I do not. 23 Q. Okay. Turning to the next page, 24 November-December of 2021: Bendix ABS control</p>	<p style="text-align: center;">Page 217</p> <p>1 Q. Okay. And you see that the executives 2 identified this in -- as happening in 3 November-December 2021. I'm asking you is that 4 your recollection that that was the time frame or 5 not? 6 A. Vaguely in that time frame, I believe 7 that would be -- to be true. 8 Q. All right. And you don't have anything 9 that you can tell me, as you sit here today, to say 10 that the executives were wrong and it actually 11 happened later than this? 12 A. No, I do not. 13 MR. SALLAH: Object to form. 14 BY MR. DAVIS: 15 Q. Go ahead. You can answer. 16 A. No, I do not -- 17 Q. All right. 18 A. -- have recollection of any of that. 19 Q. All right. Turn to the next page. This 20 is now January '22 to February 2022. And on the 21 last page of the timeline, it says: Bendix radars 22 become gating supplier and actions put in place to 23 reach out to customers/dealers to remove radars 24 from orders or change to an accommodation package.</p>

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<p style="text-align: right;">Page 218</p> <p>1 Do you see that?</p> <p>2 A. I see that.</p> <p>3 Q. And is that referring to the switch of</p> <p>4 some customers to a prewire option?</p> <p>5 A. I believe that to be true.</p> <p>6 Q. Okay. And you don't have any reason to</p> <p>7 believe that that did not actually occur in January</p> <p>8 or February of 2022, do you?</p> <p>9 A. I can't confirm those dates. I --</p> <p>10 again, I don't know. I'd have to -- I would have</p> <p>11 to go off of what they've written here.</p> <p>12 Q. All right. So you're not denying those</p> <p>13 dates either?</p> <p>14 A. No, sir.</p> <p>15 Q. And we're going to come back to that</p> <p>16 Bendix issue, but Mr. Carmichael, it's true,</p> <p>17 correct, that the -- well, let's move down here.</p> <p>18 It says: 20,000 orders converted to accommodation</p> <p>19 package and no units with radars to be built in</p> <p>20 March and April to catch up with offline and</p> <p>21 service parts.</p> <p>22 Do you see that?</p> <p>23 A. What bullet point was that?</p> <p>24 Q. The white bullet point under the Bendix</p>	<p style="text-align: right;">Page 220</p> <p>1 deal structure.</p> <p>2 Q. All right. Why don't you pull</p> <p>3 out exhibit -- it was Exhibit 36, just so we can</p> <p>4 orient ourselves.</p> <p>5 A. You're talk -- can I clarify? Are you</p> <p>6 stating that this is part of the 2021 deal?</p> <p>7 Q. No. I'm saying there came a time, you</p> <p>8 would agree, where the original deal that was</p> <p>9 Exhibit 15 was renegotiated, and that happened --</p> <p>10 it was signed off on in April by you and in May by</p> <p>11 Kyle Blain. Do you recall that?</p> <p>12 A. This is stating 20 --</p> <p>13 Q. So I'll come back to the timeline in a</p> <p>14 second. I just want to get our -- get on the same</p> <p>15 page with you, that we're talking about the same</p> <p>16 document. Okay? I believe it was 36 or 38. It</p> <p>17 was one of the first ones I gave you. I believe</p> <p>18 it's 36.</p> <p>19 MR. DAVIS: Oh, you don't think so?</p> <p>20 BY MR. DAVIS:</p> <p>21 Q. Maybe I didn't. No, I didn't give it to</p> <p>22 you. I'm sorry.</p> <p>23 This is Exhibit 36. And this is a --</p> <p>24 this is the letter agreement. The cover date says</p>
<p style="text-align: right;">Page 219</p> <p>1 radar one we just read.</p> <p>2 A. Oh, okay. Repeat your question.</p> <p>3 Q. Yeah. So you see there where it says</p> <p>4 that 20,000 orders were converted to accommodation</p> <p>5 package?</p> <p>6 A. Correct.</p> <p>7 Q. And that's the prewire option; correct?</p> <p>8 A. That would be the prewire.</p> <p>9 Q. Okay. And, in fact, and we'll get to</p> <p>10 this in more detail in a little bit, but there did</p> <p>11 come a time where we re -- you renegotiated the</p> <p>12 letter agreement with Central; correct?</p> <p>13 A. We --</p> <p>14 MR. SALLAH: Object to form.</p> <p>15 BY MR. DAVIS:</p> <p>16 Q. Go ahead.</p> <p>17 A. We negotiated the cover letter.</p> <p>18 Q. The cover letter, the one that was</p> <p>19 signed by you in April of 2022 and signed by</p> <p>20 Central in May of 2022; right?</p> <p>21 A. I would say they're separate deal</p> <p>22 transactions.</p> <p>23 Q. What are separate deal transactions?</p> <p>24 A. They're -- it's not the same deal. The</p>	<p style="text-align: right;">Page 221</p> <p>1 April 8, 2022; right?</p> <p>2 A. Yes, sir.</p> <p>3 Q. All right. And turning to the back, you</p> <p>4 signed it on April 8, 2022; right?</p> <p>5 A. Correct.</p> <p>6 Q. And Kyle Blain signed it on May 18,</p> <p>7 2022?</p> <p>8 A. So it appears.</p> <p>9 Q. Okay. So this is what I'm talking about</p> <p>10 when I say renegotiated. At some point, obviously,</p> <p>11 Exhibit 15 was renegotiated, and Exhibit 36 is what</p> <p>12 took its place?</p> <p>13 A. Fair statement.</p> <p>14 Q. All right.</p> <p>15 A. Now, we're aligned.</p> <p>16 Q. All right. Good. So my question is</p> <p>17 this: Is it not correct that the Bendix issue and</p> <p>18 the availability or the agreements of Central to</p> <p>19 take the prewire option was one of the reasons that</p> <p>20 allowed you to make the offer you did in</p> <p>21 Exhibit 36?</p> <p>22 MR. SALLAH: Object to form. Foundation.</p> <p>23 BY MR. DAVIS:</p> <p>24 Q. Go ahead.</p>

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<p>1 A. Can you rephrase that?</p> <p>2 Q. Sure. Look at the first -- look at the 3 first page of the agreement.</p> <p>4 A. Yes.</p> <p>5 Q. It says: New and used quantity and 6 pricing per unit. Do you see that? And identifies 7 that there's going to be a Bendix prewire. Do you 8 see that?</p> <p>9 A. Yes.</p> <p>10 Q. And then there is the same -- that's for 11 the 500 RH A26s. And then for the International 12 LTs, it also says there's a Bendix prewire as well.</p> <p>13 A. Correct.</p> <p>14 Q. And my question is, is it not true that 15 the fact that Central stated that they would 16 take -- well, let me -- let me back up. Some 17 fleets would not take a vehicle if it didn't have 18 Bendix installed; correct?</p> <p>19 A. Correct.</p> <p>20 Q. All right. They are just -- we won't 21 take them unless Bendix is complete and installed 22 on the system, but others said we'll take a 23 prewire; correct?</p> <p>24 A. Others, yes.</p>	<p>1 A. So the original spec would have had the 2 Bendix on it. Right? So this version is something 3 different than the original, so we would have had 4 to have updated this, but I don't know that that 5 would have affected, you know, based on your 6 comment of customers not taking the trucks, I 7 couldn't confirm that.</p> <p>8 Q. But regardless, the Bendix prewire 9 issue, or the Bendix issue, arose before this 10 document was signed by you. That, you would agree 11 with?</p> <p>12 A. Yes.</p> <p>13 Q. All right. Let's go back to the 14 timeline. And, again, this is a document from 15 March 2nd of 2022. You see the bullet? It's about 16 halfway down the page, it says: A26 quickly 17 becoming a gating supply issue with 18 approximately --</p> <p>19 A. Where are you at?</p> <p>20 Q. I'm on 77311.</p> <p>21 A. Okay.</p> <p>22 Q. All right. And about halfway down that, 23 A26 quickly becoming a gating supply issue with 24 approximately 2k units that need to be moved out of</p>
<p style="text-align: center;">Page 223</p> <p>1 Q. And the customer -- and the Bendix 2 supply issue was such that you weren't going to 3 have any trucks being produced with Bendix for at 4 least a couple of months. You recall that; right?</p> <p>5 A. For a large chunk of time.</p> <p>6 Q. Right. And the fact that some customers 7 would not take trucks without Bendix meant that 8 their slots could be given to customers who would 9 take the preorder option; correct?</p> <p>10 A. Potentially.</p> <p>11 Q. All right. And that was part of what 12 allowed you to promise the trucks identified in 13 Exhibit 36?</p> <p>14 MR. SALLAH: Object to form.</p> <p>15 BY THE WITNESS:</p> <p>16 A. I couldn't honestly sit here and say 17 that that's true, based on what we were offering. 18 I think that was a spec issue that came up after we 19 had a -- after we had the initial spec built, this 20 thing came up after -- during that process early on 21 in the cycle.</p> <p>22 BY MR. DAVIS:</p> <p>23 Q. What do you mean when you say the -- 24 just explain that.</p>	<p style="text-align: center;">Page 225</p> <p>1 spring production.</p> <p>2 You see that?</p> <p>3 A. Yes.</p> <p>4 Q. And is that the A26 engine issue you 5 were discussing earlier?</p> <p>6 MR. SALLAH: Object to foundation.</p> <p>7 BY THE WITNESS:</p> <p>8 A. I believe that's part of the issue, yes.</p> <p>9 BY MR. DAVIS:</p> <p>10 Q. Okay. Well, what's the other part of 11 the issue?</p> <p>12 A. I don't know the exact dates, but it 13 seems like it would be in that timeline.</p> <p>14 Q. Okay. And, in fact, the A26 issue was 15 part of the reason that some of the trucks had to 16 be switched from RH to LT; correct?</p> <p>17 A. Yes, sir.</p> <p>18 Q. And the LT actually can't even -- let me 19 reverse that. The RH cabs can't even take the X15 20 engine. You need -- you need to have it in an LT; 21 is that right?</p> <p>22 A. That is correct.</p> <p>23 Q. Okay. So that issue with the A26 engine 24 availability also arose before you signed</p>

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<p>1 Exhibit 36; correct?</p> <p>2 MR. SALLAH: Object to form.</p> <p>3 BY THE WITNESS:</p> <p>4 A. Can you rephrase that?</p> <p>5 BY MR. DAVIS:</p> <p>6 Q. Yeah. The A26 supply chain issue that 7 you were discussing as being a supply chain issue 8 that affected this deal, that is an issue that had 9 arisen prior to you signing Exhibit 36 on April 8, 10 2022?</p> <p>11 A. Based on this version of the cover letter, yes.</p> <p>12 Q. All right. Going down to the very last 13 bullet point on the timeline, it says: Bendix ABS 14 is once again an issue with Bendix telling us we 15 will only receive 50 percent of requirements for 16 the foreseeable future with no recovery in sight.</p> <p>17 Now, that's referring not to the prewire 18 but to the actual availability of the Bendix parts; 19 correct?</p> <p>20 MR. SALLAH: Object to foundation.</p> <p>21 BY THE WITNESS:</p> <p>22 A. Rephrase your question, please.</p> <p>23</p>	<p>1 happened in Q3 of 2022?</p> <p>2 A. Right around that area, yes.</p> <p>3 Q. If we were to -- well, we'll get to it, 4 but if we were to show you documents indicating 5 that that was October or November of 2022, would 6 you have a reason to dispute that?</p> <p>7 A. It depends on who sent the document, I 8 guess.</p> <p>9 Q. Well, we'll get to that in a little bit. 10 Now, let's look at the very last bullet point here. 11 So this is, again, March of 2022, March 2, 2022: 12 Significant concerns today that supply base will 13 keep us at 14 percent market share which equates to 14 an approximate 10k reduction in production versus 15 '22 plan and 14k in 2023. 16 Do you see that?</p> <p>17 A. Yes, sir.</p> <p>18 Q. So would you agree that as of March 19 2022, there were significant concerns about future 20 supply chain issues?</p> <p>21 A. Based on this comment here, yes.</p> <p>22 Q. Well, and just based on your own 23 experience, you were aware that there had been lots 24 of supply chain issues over the previous year or</p>
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<p>1 BY MR. DAVIS:</p> <p>2 Q. Sure. Well, I'll just ask you. What do 3 you understand that Bendix ABS issue to relate to?</p> <p>4 A. This is not the brake issue that I'm 5 referring to.</p> <p>6 Q. I'm not asking about the brake issue.</p> <p>7 A. Okay. There -- I'm sorry. Repeat it 8 again.</p> <p>9 Q. Well, what is -- Bendix ABS, that's -- 10 ABS is what?</p> <p>11 A. Anti-brake. Anti-brake system.</p> <p>12 Q. Okay. So you're saying this is not the 13 braking issue that you were discussing?</p> <p>14 A. I'm referring to the collision 15 mitigation.</p> <p>16 Q. So this Bendix ABS is not the -- you 17 said -- one of the issues you identified, there was 18 a brake issue. You said you didn't know what the 19 issue was, but it had to do with the availability 20 of the product, and you didn't know the 21 manufacturer?</p> <p>22 A. To my knowledge, I believe that was 23 later in the year.</p> <p>24 Q. Okay. And you said you think that</p>	<p>1 so; correct?</p> <p>2 A. Yes, I have.</p> <p>3 Q. And you foresaw that there could be 4 additional supply chain issues going forward; 5 right?</p> <p>6 MR. SALLAH: Object to form.</p> <p>7 BY MR. DAVIS:</p> <p>8 Q. Go ahead.</p> <p>9 A. And I would answer in the term of, 10 again, top 75 versus a retail customer and/or a 11 national account. They were all looked at somewhat 12 different. So it may not have affected them, and 13 it may have. I don't know.</p> <p>14 Q. Well, that's what I'm getting at. So 15 you didn't know exactly what the issue may have 16 been, because you can't foresee the future 17 necessarily, but you knew that there could be more 18 supply chain issues coming down the pike; right?</p> <p>19 MR. SALLAH: Object to form.</p> <p>20 BY MR. DAVIS:</p> <p>21 Q. Go ahead.</p> <p>22 A. I would say, based on industry, yes.</p> <p>23 Q. I'd like you to go back to the -- one 24 moment. Go to the original -- the draft e-mail</p>

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<p>1 A. Yes, sir.</p> <p>2 Q. What are the chips at issue here?</p> <p>3 A. I'm sorry?</p> <p>4 Q. What are the -- what chips were in 5 shortage that was causing this problem?</p> <p>6 A. All chips for truck manufacturers, for 7 like ECMs and stuff, were all in great shortage. 8 Auto, everything.</p> <p>9 Q. Okay.</p> <p>10 A. Auto and truck.</p> <p>11 Q. All right. And you recall this 70 units 12 was a specific request because Universal had a 13 contract that they needed to fulfill in the time 14 frame indicated; correct?</p> <p>15 A. I believe that to be true.</p> <p>16 Q. And you indicated that you would be able 17 to provide 43 units in January and the other 37 in 18 February?</p> <p>19 A. That was our -- our goal, yes.</p> <p>20 Q. And then, again, this confirms in your 21 notes that Central's allocation was to be reduced 22 from 1100 units down to 600 due to ongoing supplier 23 issues; right?</p> <p>24 A. That's what it states, yes.</p>	<p>1 12/17 from Kyle Blain to you and Belisle; correct?</p> <p>2 A. Yes.</p> <p>3 Q. All right. And in this e-mail, he</p> <p>4 says -- and this is the first large paragraph</p> <p>5 there: Although I understand the production</p> <p>6 limitations that have been experienced, failing to</p> <p>7 fulfill the agreement that we came to in July of</p> <p>8 this year just isn't right considering the history.</p> <p>9 There must be options to find the additional units</p> <p>10 that would complete our expected deliveries. We</p> <p>11 have addressed the issue with the two named</p> <p>12 suppliers that were provided as restraining</p> <p>13 production. And then he lists Bendix and Cummins.</p> <p>14 Do you see that?</p> <p>15 A. Yes.</p> <p>16 Q. Is there any reason to doubt that those</p> <p>17 are the two suppliers that you identified as</p> <p>18 causing problems in your December 16th meeting?</p> <p>19 A. No reason to deny that.</p> <p>20 Q. Okay. No reason to believe you 21 indicated any other supplier issues at that 22 meeting?</p> <p>23 A. Not at that time.</p> <p>24 Q. Okay. Hand you 164.</p>
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<p>1 Q. All right. No reason to dispute that's 2 what you wrote in your notes at the time; right?</p> <p>3 A. Correct.</p> <p>4 Q. One moment. On that same exhibit, turn 5 to the second page. It indicates: Navistar to 6 review a "No Trade Credit" that would support 7 Central selling their own trades.</p> <p>8 You see that?</p> <p>9 A. Correct.</p> <p>10 Q. All right. So this conversation on 11 December 17th was when the idea of a no trade 12 credit was first floated?</p> <p>13 A. I believe so.</p> <p>14 Q. And you would agree a no trade agreement 15 would eliminate any OA that you had on the 16 trade-ins that were part of this deal; correct?</p> <p>17 A. Correct.</p> <p>18 Q. Now, I'm going to give you Exhibit 163.</p> <p>19 (WHEREUPON, a certain document was 20 marked Exhibit No. 163, for 21 identification, as of August 21, 22 2024.)</p> <p>23 BY MR. DAVIS:</p> <p>24 Q. All right. This is another e-mail on</p>	<p>1 (WHEREUPON, a certain document was 2 marked Exhibit No. 164, for 3 identification, as of August 21, 4 2024.)</p> <p>5 BY MR. DAVIS:</p> <p>6 Q. All right. This is an e-mail chain, the 7 top one is between Tony Stinsa and Brock Frederick, 8 but we're going to go to the third page, which 9 is -- the second to third page which is an e-mail 10 from Belisle to Paul Martin, Chet, and Friedrich 11 Baumann, on which you were copied.</p> <p>12 Do you see that?</p> <p>13 A. Yes.</p> <p>14 Q. All right. And that e-mail was dated 15 January 7, 2022; correct?</p> <p>16 A. Yes.</p> <p>17 Q. All right. So he says, Belisle says the 18 following -- this is on January 7: Gentlemen, we 19 have an opportunity with Central that I believe we 20 need to pursue ASAP. As you know, Central has 21 agreed to full surcharges and unhappily accepted 22 the 600 units instead of 1100 this year, however, 23 Sean has continued to work with them based on the 24 Bendix situation and moving dealers, warranties.</p>

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<p style="text-align: right;">Page 274</p> <p>1 Accurate?</p> <p>2 A. I'm not understanding the dealer</p> <p>3 warranties, but accurate.</p> <p>4 Q. Okay. It says: Central will take units</p> <p>5 with the Bendix accommodation package, in either</p> <p>6 A26 or X15 RH or LT configuration. At the same</p> <p>7 price and same cost to us.</p> <p>8 Do you see that?</p> <p>9 A. Yes.</p> <p>10 Q. So this is indicating that Central had</p> <p>11 already agreed as of January 7th to take the Bendix</p> <p>12 pwire; correct?</p> <p>13 A. Yes.</p> <p>14 Q. All right. And it says: We are</p> <p>15 building 75 in Jan and Feb of this year then don't</p> <p>16 have any scheduled yet for the rest of the year.</p> <p>17 See that?</p> <p>18 A. Yes.</p> <p>19 Q. So of the 600 that you had promised, as</p> <p>20 of this date, you had only scheduled 150 of them?</p> <p>21 A. Correct.</p> <p>22 Q. All right. And then it says: In verbal</p> <p>23 conversation, Sean has floated that we build them</p> <p>24 300 [sic] a month in March, April, and May to get</p>	<p style="text-align: right;">Page 276</p> <p>1 we sit here today?</p> <p>2 A. Not based on what's in writing here.</p> <p>3 Q. Do you have anything other than what's</p> <p>4 in writing to dispute that?</p> <p>5 A. Not at this time.</p> <p>6 Q. Going down a little bit, it says:</p> <p>7 Paul -- would that be Paul Martin?</p> <p>8 A. I believe so.</p> <p>9 Q. Paul, I believe we can actually slip</p> <p>10 these into production (based on current supplier</p> <p>11 ability) as incremental production for 2022.</p> <p>12 Do you see that?</p> <p>13 A. Yes.</p> <p>14 Q. And then it says: Sean and I want to</p> <p>15 pursue this option ASAP.</p> <p>16 Correct?</p> <p>17 A. Yes.</p> <p>18 Q. That is an option that you and Belisle</p> <p>19 had discussed at that time?</p> <p>20 A. I believe that to be true, based on</p> <p>21 this.</p> <p>22 Q. Okay. And he says: I believe we can</p> <p>23 actually slip these into production.</p> <p>24 So you believed that it was possible to</p>
<p style="text-align: right;">Page 275</p> <p>1 them to their 1100 for the year and they would</p> <p>2 accept a 10,000 no trade credit on all the OTB</p> <p>3 units. See below from Dan Simnick for OA.</p> <p>4 Do you see that?</p> <p>5 A. I see that.</p> <p>6 Q. Okay. So you had floated that idea of</p> <p>7 350 a month to Kyle?</p> <p>8 MR. SALLAH: Object to form.</p> <p>9 BY THE WITNESS:</p> <p>10 A. I don't know if that's the correct time.</p> <p>11 Vaguely in that time frame, I thought it was more</p> <p>12 through June, but based on product and</p> <p>13 availability. I mean...</p> <p>14 BY MR. DAVIS:</p> <p>15 Q. All right. My question is do you have</p> <p>16 any reason to dispute what Belisle was saying in an</p> <p>17 e-mail copied to you, that you had floated 350 a</p> <p>18 month in March, April, and May, as of January 2022?</p> <p>19 A. Not based --</p> <p>20 MR. SALLAH: Object to form.</p> <p>21 BY THE WITNESS:</p> <p>22 A. Not based on this information.</p> <p>23 BY MR. DAVIS:</p> <p>24 Q. But you have nothing to dispute that, as</p>	<p style="text-align: right;">Page 277</p> <p>1 produce 350 a month in March, April, and May, at</p> <p>2 that time?</p> <p>3 A. Based on the guidance of Mark here, yes.</p> <p>4 Q. But you also believed it was possible</p> <p>5 that you couldn't produce 350 in those three months</p> <p>6 at the same time; correct?</p> <p>7 A. All I have to go is based on what my --</p> <p>8 my direct supervisor is telling me or indirect</p> <p>9 supervisor.</p> <p>10 Q. Okay. But you -- in having these</p> <p>11 conversations, he believed it may have been</p> <p>12 possible, but at the same time you were saying</p> <p>13 maybe it was not possible; correct?</p> <p>14 A. It could go either way, yes.</p> <p>15 Q. Okay. It could have gone either way at</p> <p>16 this point?</p> <p>17 A. Yeah. It was based on supply and</p> <p>18 production availability.</p> <p>19 Q. Because you could foresee that it's</p> <p>20 possible that those dates couldn't hold?</p> <p>21 A. Just based on what's historically been</p> <p>22 running since COVID.</p> <p>23 Q. Right. Well, and one other thing. What</p> <p>24 is your understanding, then, of what Belisle is</p>

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<p>1 suggesting here, that there would be a 10,000 no 2 trade credit on all the OTB units?</p> <p>3 A. Could you rephrase?</p> <p>4 Q. Mark Belisle says that in verbal 5 conversation, Sean has floated that we would build 6 them 350 a month and they would accept a 10,000 no 7 trade credit on all the OTB units.</p> <p>8 What is he discussing there?</p> <p>9 A. He's referring to GLS, Kyle, I would 10 presume, that they would be willing to take \$10,000 11 per truck that is on an OTB, but does not state 12 what year models.</p> <p>13 Q. Okay. And what you mean take OTB, take 14 10,000 in exchange for not being allowed to trade 15 them to you?</p> <p>16 A. They would take \$10,000 and dispose of 17 the equipment on their own.</p> <p>18 Q. I see, which means they wouldn't trade 19 them into you?</p> <p>20 A. Correct.</p> <p>21 Q. And that was something you were floating 22 in January of 2022?</p> <p>23 MR. SALLAH: Object to form.</p> <p>24</p>	<p>1 Q. All right. And he says: Sean, thanks 2 for the great discussion earlier. The plan we 3 talked about was having UTO take half the units and 4 UTO would be on the hook for the units at the show 5 value to customer. With any commensurate roll-out 6 and mileage deductions per our appraisal to new 7 truck.</p> <p>8 (WHEREUPON, there was a brief 9 interruption.)</p> <p>10 BY MR. DAVIS:</p> <p>11 Q. Sean, thanks for the great discussion 12 earlier. The plan we talked about was having UTO 13 take half of the units and UTO would be on the hook 14 for the units at show value to the customer. With 15 any commensurate rollout and mileage deductions per 16 our appraisal to new truck.</p> <p>17 Okay. So what does show value mean?</p> <p>18 A. I don't know the term "show value."</p> <p>19 Q. All right. Then he says: As mentioned 20 in my text after our brief call, the fact that 21 Central Transport will likely be selling these 22 units in the market at the same time as we are, and 23 not simply continuing to run them, makes me pause a 24 bit on the strategy of providing full show values</p>
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<p>1 BY THE WITNESS:</p> <p>2 A. I would say based -- to the best of my 3 knowledge, based on this e-mail.</p> <p>4 BY MR. DAVIS:</p> <p>5 Q. Okay. Do you remember -- well, you know 6 who Tony Stinsa is, obviously?</p> <p>7 A. Yes, sir.</p> <p>8 Q. This is Exhibit 148?</p> <p>9 THE COURT REPORTER: 165.</p> <p>10 MR. DAVIS: I'm sorry. 165. My eyesight 11 really is going here.</p> <p>12 THE WITNESS: Glad I'm not the only one.</p> <p>13 MR. DAVIS: You're lucky. You're going to 14 need your bifocals soon. I told you that 15 yesterday.</p> <p>16 (WHEREUPON, a certain document was 17 marked Exhibit No. 165, for 18 identification, as of August 21, 19 2024.)</p> <p>20 BY MR. DAVIS:</p> <p>21 Q. All right. So this is Exhibit 165. 22 This is an e-mail from Tony Stinsa to you on 23 January 12, 2022; correct?</p> <p>24 A. Yes, sir.</p>	<p>1 and being able to sell the units profitably.</p> <p>2 Do you see that?</p> <p>3 A. Yes.</p> <p>4 Q. All right. Now, there's a reference to 5 a text. Mr. Stinsa has produced some texts, but 6 there are none from either January 12 or the days 7 prior to that. Do you still have text messages on 8 your phone with -- well, let me ask you this: Is 9 the phone you use, you do use your phone to text 10 with people at work; correct?</p> <p>11 A. Yes.</p> <p>12 Q. Okay. Is that a phone that you own or 13 is it owned by the company?</p> <p>14 A. I own.</p> <p>15 Q. But you use it for business purposes?</p> <p>16 A. Yes.</p> <p>17 Q. And have you ever gone through and 18 deleted your old texts, or are they still there, to 19 the best of your knowledge?</p> <p>20 A. They would still be there, to the best 21 of my knowledge. I'm not saying it can't happen, 22 but to the best of my knowledge, as I sit here 23 today.</p> <p>24 Q. Have you ever provided them to be</p>

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<p style="text-align: right;">Page 282</p> <p>1 collected in this case?</p> <p>2 MR. SALLAH: Object to form.</p> <p>3 BY THE WITNESS:</p> <p>4 A. I don't -- yeah, I think I have. I</p> <p>5 think I've submitted one. I think it's probably</p> <p>6 with Tony, would be the only one that I would have.</p> <p>7 BY MR. DAVIS:</p> <p>8 Q. Submitted one text?</p> <p>9 A. Yeah, to -- internally.</p> <p>10 Q. Okay.</p> <p>11 A. I think it's one.</p> <p>12 Q. All right. And then he asked: Since you think they are actually going to be selling them, we'd like the deal with Central on the No Trade Credit to consider the following stipulation. And he asked for Central Transport to agree not to sell their retained units for lower than the equivalent OTB for the given unit.</p> <p>13 Do you see that?</p> <p>14 A. Yes.</p> <p>15 Q. What did you understand that to mean?</p> <p>16 A. You would have to go to Tony. I don't</p> <p>17 understand what the channels are.</p> <p>18 Q. Okay.</p>	<p style="text-align: right;">Page 284</p> <p>1 correct?</p> <p>2 A. I believe that's covered in the cover</p> <p>3 letter.</p> <p>4 Q. Okay. Well, let's -- before we get to the cover letter, let's -- I'm going to give you Exhibit 168 -- 166.</p> <p>5 (WHEREUPON, a certain document was marked Exhibit No. 166, for identification, as of August 21, 2024.)</p> <p>6 BY MR. DAVIS:</p> <p>7 Q. This is an e-mail from Kyle Blain to you on January 13, 2022; correct?</p> <p>8 A. Yes.</p> <p>9 Q. He says: Let's go with the 1100 trucks delivering into June; right?</p> <p>10 A. Correct.</p> <p>11 Q. We will sell the trades as discussed?</p> <p>12 A. Yes.</p> <p>13 Q. Okay. And then he asked for 7 million as a significant gain that will be realized by not having the trade. And then he says: Additionally, this amount would be inclusive of the Universal rental, QLS downtime, forward uptime losses on the</p>
<p style="text-align: right;">Page 283</p> <p>1 A. I wouldn't know the channels they sell</p> <p>2 to.</p> <p>3 Q. All right. So as we sit here today, you don't have any information that you can give me on how the no trade credit would work in the stipulations. Is that fair?</p> <p>4 A. How the no trade works -- credit would</p> <p>5 work? Can you rephrase?</p> <p>6 Q. Yeah. How the no trade credit would work, including the stipulation about agreements not to sell or retain units for lower than the equivalent OTB.</p> <p>7 MR. SALLAH: Object to form.</p> <p>8 BY THE WITNESS:</p> <p>9 A. I think he's talking about in the open</p> <p>10 market, he wants to make sure that they're</p> <p>11 consistent, but, again, I would have to ask Tony.</p> <p>12 BY MR. DAVIS:</p> <p>13 Q. Okay. So you're just guessing? You don't really know?</p> <p>14 A. I don't really know. I mean...</p> <p>15 Q. Now, you did, in fact, make an offer to Central that included the no trade agreement and the stipulation that Tony Stinsa was asking for;</p>	<p style="text-align: right;">Page 285</p> <p>1 2017 to 2019 MY units through June 2022.</p> <p>2 Do you see that?</p> <p>3 A. I do see that.</p> <p>4 Q. And you believe that is referring to the no trade portion of the deal?</p> <p>5 A. How the funds roll up, correct.</p> <p>6 Q. All right. And what did you understand the no trade was supposed to cover?</p> <p>7 A. Basically everything that is outlined in</p> <p>8 the cover letter.</p> <p>9 Q. All right. So we'll get to the cover letter, so we'll talk about it when we get there.</p> <p>10 All right. But this was the point where you first -- well, he's responding to your offer of 1100 trucks delivering into June with a no trade credit; correct?</p> <p>11 A. Yes, but the dollar was not 7 million.</p> <p>12 Q. We'll get to that.</p> <p>13 A. Okay.</p> <p>14 Q. That number changed, but the offer was --</p> <p>15 A. His counteroffer, yes.</p> <p>16 Q. 1100 trucks delivering into June and the no trade credit, the amount would change later;</p>

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<p>1 through that. This is your response to him; 2 correct?</p> <p>3 A. Yes.</p> <p>4 Q. And you say: Jim, I will change the 5 verbiage on that line. 6 That's what you said; right? Top 7 e-mail.</p> <p>8 A. I see it.</p> <p>9 Q. All right. That's what you told him, 10 you would change the verbiage on that line. So you 11 took that language out of whatever you were putting 12 together?</p> <p>13 A. Whatever we were putting together, based 14 on his guidance.</p> <p>15 Q. And then I'll just ask, you say: Please 16 remember Kyle did not want one of the changes that 17 Universal agreed to, so that was a big delay early 18 on as well.</p> <p>19 What are you talking about?</p> <p>20 A. I think when we were -- when I was 21 looking at this or thinking through the process, we 22 were talking about on the prewire, it was a -- 23 again, vaguely remember, not sure a hundred 24 percent, but I believe that there was a commitment</p>	<p>1 you and Kyle Blain, copying Lollis, and it's 2 referencing the cover letter, the current draft of 3 the cover letter; correct?</p> <p>4 A. I -- when you say update the current 5 cover letter, which one are you referring to, sir?</p> <p>6 Q. Right. Well, the attach -- the e-mail 7 that I was given by Navistar does not have the 8 attachment, but you see your e-mail from Carmichael 9 to Kyle Blain, and it says: Kyle, attached is the 10 updated cover letter with regards to the 1100 units 11 building in 2022. As we sit right now, all units 12 we built and delivered by June, we have added 13 language as discussed for the following items. 14 And then you have some bullet points; 15 correct?</p> <p>16 A. Yes, sir.</p> <p>17 Q. Okay. And then going up, you have 18 Kyle's response to you. And then at the top, you 19 asked Lollis -- I'm sorry, you say to Lollis: 20 Kyle/Joe must tell us who gets the 600 ISX units 21 this week or build slots will start pushing. 22 You see that?</p> <p>23 A. Yes.</p> <p>24 Q. The ISX units are the -- I'm sorry,</p>
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<p>1 to do the prewire and then a pause, and then there 2 was back on doing the prewire.</p> <p>3 Q. Okay.</p> <p>4 A. But I'm not a hundred percent sure. 5 That's just vaguely what I remember.</p> <p>6 Q. Okay. And you don't remember what the 7 time frame of that was either, do you?</p> <p>8 A. I don't. I really don't. I would say 9 Q1.</p> <p>10 Q. Q1. So before you -- before the 4/18 11 agreement -- or the 4/8 agreement was signed, then; 12 right?</p> <p>13 A. I would believe so, yes.</p> <p>14 Q. I'm going to hand you now Exhibit 179. 15 (WHEREUPON, a certain document was 16 marked Exhibit No. 179, for 17 identification, as of August 21, 18 2024.)</p> <p>19 BY MR. DAVIS:</p> <p>20 Q. So this is an e-mail chain between you 21 and Jim Lollis, 3/14/2022; correct?</p> <p>22 A. Correct.</p> <p>23 Q. Okay. And going back a page, you see 24 that there's an e-mail from February 17th between</p>	<p>1 the -- well, those are the Cummins engines; 2 correct?</p> <p>3 A. The LT with Cummins, yes, sir.</p> <p>4 Q. So you were telling Lollis that Kyle 5 needs to tell you who gets those LTs; correct?</p> <p>6 A. Based on this e-mail, yes.</p> <p>7 Q. Okay. And this was on 3/14?</p> <p>8 A. Yes.</p> <p>9 Q. All right. So I'm going to give you an 10 e-mail dated 3/15. 11 (WHEREUPON, a certain document was 12 marked Exhibit No. 180, for 13 identification, as of August 21, 14 2024.)</p> <p>15 BY MR. DAVIS:</p> <p>16 Q. 180. This is an e-mail chain between 17 you and Carmichael -- I'm sorry, between you and 18 Blain dated 3/15, and then the second e-mail in the 19 chain is from March 14, 2022; correct?</p> <p>20 A. That is correct.</p> <p>21 Q. The e-mail on the 14th says Kyle, and it 22 has some information that says: We need to know 23 how you want the 600 ISX units divided up between 24 companies. Once we have this info, we can finalize</p>

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<p>1 everything.</p> <p>2 That's what you said; correct?</p> <p>3 A. That is correct.</p> <p>4 Q. And the next day, he told you the LTs 5 will all go to CT; correct?</p> <p>6 A. That is correct.</p> <p>7 Q. That means they'll all go to Central?</p> <p>8 A. Correct.</p> <p>9 Q. All right. So he met your requested 10 deadline the very next day; right?</p> <p>11 A. Yes.</p> <p>12 Q. Right. So you're not ascribing any 13 fault to him in delaying giving you the LT mix; 14 right?</p> <p>15 A. I'm not describing any fault to Kyle 16 Blain, but I do not know when the trucks were 17 entered into the system.</p> <p>18 Q. Okay. Well, he's not the one that 19 enters the trucks into the system.</p> <p>20 A. Nope, nor am I.</p> <p>21 Q. All right. Nor are you, you said?</p> <p>22 A. Nope.</p> <p>23 Q. Okay. This will be 181.</p> <p>24</p>	<p>1 for unique customers.</p> <p>2 See that?</p> <p>3 A. Yes.</p> <p>4 Q. Okay. And what was your understanding 5 as to why, as you lose production, you lose 6 opportunities for unique customers?</p> <p>7 A. For those new -- I would assume new 8 reconquest type customers, we would need to show 9 that we weren't hitting our targets.</p> <p>10 Q. You're saying to get those customers 11 back, you need to show that you could deliver the 12 trucks on time?</p> <p>13 A. That we could produce the trucks and get 14 them delivered.</p> <p>15 Q. Right. And if they know that you're not 16 meeting existing orders, they're not going to be 17 very enthused to go with Navistar; right?</p> <p>18 A. We're going to be challenged.</p> <p>19 Q. Okay. And this then reflects your 20 knowledge that the time, you were losing production 21 in the March of 2022 time frame; correct?</p> <p>22 A. Just give me a second to read, please.</p> <p>23 Q. Sure.</p> <p>24 A. Can you repeat?</p>
<p style="text-align: center;">Page 331</p> <p>1 (WHEREUPON, a certain document was 2 marked Exhibit No. 181, for 3 identification, as of August 21, 4 2024.)</p> <p>5 BY MR. DAVIS:</p> <p>6 Q. And this is an e-mail that you've sent 7 to numerous individuals. These are your TSMs and 8 your admin that you're sending this to; correct?</p> <p>9 A. Yes.</p> <p>10 Q. Okay. And it -- the subject is the 11 sales review deck from Friday. You see that?</p> <p>12 A. Yes.</p> <p>13 Q. Okay. And so you would -- you would 14 take part in a weekly sales review with corporate, 15 and then you would convey the information you learn 16 to your TSMs; right?</p> <p>17 A. To the best of my ability, yes.</p> <p>18 Q. All right. And you indicate in here: 19 Unique customers as you know this is a big chunk 20 being of our SIP.</p> <p>21 What's SIP?</p> <p>22 A. Sales incentive plan.</p> <p>23 Q. Okay. Mark is using the slide to show 24 that as we lose production, we lose opportunities</p>	<p style="text-align: center;">Page 333</p> <p>1 (WHEREUPON, the record was read 2 as requested.)</p> <p>3 BY THE WITNESS:</p> <p>4 A. I think it reflects, yes, that we were 5 losing production, but it was also implying that we 6 needed to clean up our order board to make sure 7 that the orders in the system were truly going to 8 said customer.</p> <p>9 BY MR. DAVIS:</p> <p>10 Q. So it was reflecting both of those 11 things, then?</p> <p>12 A. To the best of my knowledge today, yes.</p> <p>13 Q. All right. I'm going to give you 14 another -- actually, I believe it's one of the 15 attachments to that document. I'm sorry.</p> <p>16 A. This one?</p> <p>17 Q. Yeah, it's listed as a separate 18 document. Give me a moment.</p> <p>19 This will be 182. Let me just confirm 20 that, that this is an attachment. I'm sorry.</p> <p>21 (WHEREUPON, a certain document was 22 marked Exhibit No. 182, for 23 identification, as of August 21, 24 2024.)</p>

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<p>1 BY MR. DAVIS:</p> <p>2 Q. Yes, I can confirm this is one of the</p> <p>3 attachments that you had sent. The original or the</p> <p>4 parent document is NAV00082410 and NAV00082447 is</p> <p>5 one of the attachments that you had on it. All</p> <p>6 right? So I'm going to ask you to --</p> <p>7 MR. SALLAH: Do you have a copy?</p> <p>8 MR. DAVIS: Yeah. You know what? Instead of</p> <p>9 marking -- well, did we already mark it with a</p> <p>10 sticker?</p> <p>11 MR. SALLAH: Yes.</p> <p>12 MR. DAVIS: All right. It's marked as 182.</p> <p>13 It's fine. It's marked separately, but it is an</p> <p>14 attachment to 181, for the record.</p> <p>15 BY MR. DAVIS:</p> <p>16 Q. All right. Turn to the very first page</p> <p>17 of this Orders and Production Update dated</p> <p>18 March 23, 2022. All right?</p> <p>19 A. Yep.</p> <p>20 Q. It states: Multiple suppliers impacting</p> <p>21 all plants.</p> <p>22 You see that?</p> <p>23 A. Yes.</p> <p>24 Q. Supply, that refers to supply chain</p>	<p>1 Q. And this is also indicating that there</p> <p>2 are issues with A26 orders. Does that refer to the</p> <p>3 actual engines being built?</p> <p>4 MR. SALLAH: Object to form.</p> <p>5 BY MR. DAVIS:</p> <p>6 Q. Would that be your understanding?</p> <p>7 A. That would be a speculation on my half.</p> <p>8 Q. Okay. And then looking at the next page</p> <p>9 of that, actually, 82449, this is a list of top</p> <p>10 critical production supplier units at risk, and</p> <p>11 this is indicating potential -- or the top</p> <p>12 potential issues affecting production; correct?</p> <p>13 A. Correct. That --</p> <p>14 Q. And you would frequently -- I mean, this</p> <p>15 was a -- this was an update that you received every</p> <p>16 week or so?</p> <p>17 A. No, I don't want to say every week. I</p> <p>18 don't know that we received it weekly. It may be a</p> <p>19 monthly or -- I don't recall how often.</p> <p>20 Q. You agree, though, certainly this isn't</p> <p>21 a one-off. You would receive a report like this</p> <p>22 every so often?</p> <p>23 A. Every so often, yes.</p> <p>24 Q. Okay. All right.</p>
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<p>1 issues; correct?</p> <p>2 A. I'm sorry?</p> <p>3 Q. And that refers to supply chain issues;</p> <p>4 correct?</p> <p>5 A. Correct.</p> <p>6 Q. All right. And then the next sentence,</p> <p>7 it says: Supply of material remains a great</p> <p>8 challenge; multiple suppliers causing disruptions.</p> <p>9 Correct?</p> <p>10 A. Yes.</p> <p>11 Q. And then EAP Line 1 and 2 are down today</p> <p>12 and tomorrow due to lack of material (IP insourcing</p> <p>13 and tires).</p> <p>14 You see that; right?</p> <p>15 A. Yes.</p> <p>16 Q. So this is reflecting, as of March 23rd,</p> <p>17 you and certainly Navistar would have been aware of</p> <p>18 those supply chain issues; correct?</p> <p>19 A. Correct.</p> <p>20 Q. All right. Go back to that document, to</p> <p>21 185. It also indicates there's a risk of</p> <p>22 additional down days at all plants in March due to</p> <p>23 supplier issues; right?</p> <p>24 A. That's what it states.</p>	<p>1 A. It may be quarterly.</p> <p>2 Q. All right. Here's the same report for</p> <p>3 April 6, 2022. We'll mark that as 183.</p> <p>4 (WHEREUPON, a certain document was</p> <p>5 marked Exhibit No. 183, for</p> <p>6 identification, as of August 21,</p> <p>7 2024.)</p> <p>8 MR. DAVIS: You're going to have to share. I</p> <p>9 only have the two copies of this one.</p> <p>10 MR. SALLAH: Just scoot over a little bit so</p> <p>11 you stay in the video. I'm good right here, Sean.</p> <p>12 THE WITNESS: You good, sir?</p> <p>13 THE VIDEOGRAPHER: Yes.</p> <p>14 BY MR. DAVIS:</p> <p>15 Q. All right. And, actually, I apologize,</p> <p>16 let me -- I don't have this printed, so I'm going</p> <p>17 to have to just share it with you. This is</p> <p>18 actually an attachment to Navistar 84373. I don't</p> <p>19 have a way to mark it, but I'm going to just show</p> <p>20 you the document to confirm that you did receive</p> <p>21 it. All right?</p> <p>22 A. What should I do with this document now?</p> <p>23 Q. You can hold on to it. I'm going to ask</p> <p>24 you questions about it. I'm just going to show you</p>

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<p>1 Q. Okay.</p> <p>2 A. '22.</p> <p>3 Q. '22. I apologize. Thank you. And</p> <p>4 that's something that your higher-ups were asking</p> <p>5 you to get done. You would agree with that;</p> <p>6 correct?</p> <p>7 A. I don't know that they were asking. I</p> <p>8 think I was concerned that if we did not have a</p> <p>9 cover letter signed, that we were at risk.</p> <p>10 Q. Okay. So you were concerned without a</p> <p>11 cover letter that others at Navistar may not follow</p> <p>12 the production schedule --</p> <p>13 A. No, I was -- we were at risk that we</p> <p>14 weren't going to be able to produce trucks, and</p> <p>15 there's some liability, not only for Allegiance but</p> <p>16 for Navistar as well.</p> <p>17 Q. And you would agree you never told Kyle</p> <p>18 before he signed that agreement that there was a</p> <p>19 risk that his trucks weren't going to come on the</p> <p>20 schedule that was --</p> <p>21 A. I don't recall.</p> <p>22 Q. And you don't know if anybody at</p> <p>23 Navistar conveyed that to him either, do you?</p> <p>24 A. I don't recall. I would not know if</p>	<p>1 Or at least you were concerned that that would</p> <p>2 happen; right?</p> <p>3 A. I was concerned, as we do not have an</p> <p>4 order.</p> <p>5 Q. Right. And specifically, you said you</p> <p>6 have to sign the agreement with the no trade clause</p> <p>7 in it. You would agree with that; right?</p> <p>8 A. Yes.</p> <p>9 Q. Okay. And then he did sign after you</p> <p>10 sent -- after you made that communication to</p> <p>11 Lollis?</p> <p>12 A. On the 18th, yes.</p> <p>13 Q. The very next day?</p> <p>14 A. Yeah, the 18th.</p> <p>15 Q. All right. Now, Mr. Carmichael, would</p> <p>16 you agree with me that you knew -- you talked about</p> <p>17 various supply chain issues, but you would agree</p> <p>18 that you knew that those supply chain issues had</p> <p>19 already occurred before Kyle Blain signed that</p> <p>20 agreement; correct?</p> <p>21 MR. SALLAH: Object to form.</p> <p>22 BY THE WITNESS:</p> <p>23 A. I believed that we had supply</p> <p>24 constraints, based on the internal e-mails or the</p>
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<p>1 anybody else did.</p> <p>2 Q. Okay. All you can say is that you don't</p> <p>3 know what the production schedule was on 5/4 in</p> <p>4 Navistar's system. That's what you're testifying</p> <p>5 to?</p> <p>6 MR. SALLAH: Objection. Form.</p> <p>7 BY THE WITNESS:</p> <p>8 A. I'm saying I don't recall.</p> <p>9 BY MR. DAVIS:</p> <p>10 Q. You don't recall. So you may have known</p> <p>11 what the production schedule -- what the order</p> <p>12 board looked like on 5/4?</p> <p>13 A. I may have known, but I do not recall.</p> <p>14 Q. Okay. You would agree somebody at</p> <p>15 Navistar would have known; correct?</p> <p>16 MR. SALLAH: Objection. Foundation.</p> <p>17 BY THE WITNESS:</p> <p>18 A. I would believe somebody would have</p> <p>19 knowledge of an order board.</p> <p>20 BY MR. DAVIS:</p> <p>21 Q. Okay. And just to close this out, 5/17</p> <p>22 you told Jim Lollis that if he doesn't sign,</p> <p>23 they're going to stop delivering trucks that have</p> <p>24 already been produced, right, if he doesn't sign?</p>	<p>1 internal presentations that he had sent, but I</p> <p>2 hadn't, in my best knowledge, had no idea it was</p> <p>3 going to affect the PAM/Central/Universal truck</p> <p>4 builds.</p> <p>5 BY MR. DAVIS:</p> <p>6 Q. No, I'm talking about the ones</p> <p>7 specifically that you said did affect PAM and</p> <p>8 Central. You talked about the A26 issue; right?</p> <p>9 A. Yes.</p> <p>10 Q. Okay. That occurred before that</p> <p>11 agreement was even signed by you; correct?</p> <p>12 A. Yes.</p> <p>13 MR. SALLAH: Object to form.</p> <p>14 BY MR. DAVIS:</p> <p>15 Q. Okay. The Bendix -- the Bendix supply</p> <p>16 chain issues, that occurred before you had even</p> <p>17 signed Exhibit 36; correct?</p> <p>18 MR. SALLAH: Same objection.</p> <p>19 BY THE WITNESS:</p> <p>20 A. The Bendix? Can you --</p> <p>21 BY MR. DAVIS:</p> <p>22 Q. The Bendix collision mitigation issue?</p> <p>23 A. Yes.</p> <p>24 Q. That had occurred before you even signed</p>

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<p>1 the agreement?</p> <p>2 A. Yes.</p> <p>3 Q. Okay. And you mentioned the WABCO -- or 4 the brake issue, and you said you don't remember. 5 Would it refresh your memory if I showed you one of 6 the other e-mails you asked Jim Lolis to collect?</p> <p>7 A. You can.</p> <p>8 Q. Okay. Well, we'll get to that in a 9 moment. But you believe that took place in quarter 10 3 or later?</p> <p>11 A. To the best of my knowledge.</p> <p>12 Q. After the trucks should already have 13 been built under the production schedule in that 14 Exhibit 36; right?</p> <p>15 MR. SALLAH: Object to form.</p> <p>16 BY THE WITNESS:</p> <p>17 A. Based on that production schedule and 18 production timing and availability, yeah.</p> <p>19 BY MR. DAVIS:</p> <p>20 Q. Okay. And you mentioned a frame rail 21 issue, and you weren't able to give me any timing 22 as to when that issue occurred?</p> <p>23 A. You asked me the question on what 24 challenges that we had.</p>	<p>1 (WHEREUPON, a certain document was 2 marked Exhibit No. 187, for 3 identification, as of August 21, 4 2024.)</p> <p>5 BY MR. DAVIS:</p> <p>6 Q. All right. So this is an e-mail chain. 7 The top of the chain is between you and Chas 8 Voyles, Jr. And I think you mentioned who Chas is, 9 but just for the record --</p> <p>10 MR. SALLAH: Sorry. What exhibit are we on? 11 187?</p> <p>12 MR. DAVIS: 187. Yeah.</p> <p>13 BY THE WITNESS:</p> <p>14 A. Could you repeat?</p> <p>15 BY MR. DAVIS:</p> <p>16 Q. Yeah. The top in this e-mail chain is 17 from Chas Voyles to you; correct?</p> <p>18 A. That is correct.</p> <p>19 Q. And I think you said who he was, but who 20 was Chas Voyles?</p> <p>21 A. Chas Voyles is -- was our director of 22 service for the southwest region, and currently, he 23 is the director of dealer sales in the southwest 24 region.</p>
<p>1 Q. Yeah. And --</p> <p>2 A. I listed frame rails as one them for 3 Navistar.</p> <p>4 Q. And frame rails was one of the issues 5 that you're saying affected --</p> <p>6 A. I'm not saying that.</p> <p>7 Q. You're not saying that. So frame rail 8 is not one of the issues that impacted production 9 to Nav -- to Central?</p> <p>10 A. I would -- I'm sorry. Go ahead.</p> <p>11 Q. No. Are you -- that's where I'm 12 confused. Are you saying frame rails are or not an 13 issue that affected the production of trucks for 14 Central?</p> <p>15 A. I don't recall.</p> <p>16 Q. You don't recall. Okay. And do you 17 remember when frame rail issues arose in general?</p> <p>18 A. I don't recall, sir.</p> <p>19 Q. Okay. So you don't even -- was it after 20 the brakes issue?</p> <p>21 A. I don't recall.</p> <p>22 Q. You don't recall. All right. Give me 23 one moment. So I'm going to give you Exhibit 187.</p>	<p>1 Q. All right. So I just want to go down 2 further in the chain. Two e-mails down in the 3 chain is an e-mail from you to Mark Belisle, and 4 the subject is urgent, Central/Universal warranty 5 issue.</p> <p>6 You see that; correct?</p> <p>7 A. I'm sorry. I'm not seeing that. The 8 second one?</p> <p>9 Q. Third one.</p> <p>10 A. Third one. I'm sorry.</p> <p>11 Q. Third one. It's from you to Belisle, 12 June 27, 2022; right?</p> <p>13 A. Ask your question.</p> <p>14 Q. Am I correct that we're looking at an 15 e-mail from you to Belisle on June 27, 2022?</p> <p>16 A. Correct.</p> <p>17 Q. And in that e-mail, you said: 18 Morning -- or you say: Mark, Morning. Hate to 19 start a Monday like this but need your help on this 20 urgent internal topic. Being told via CSA that we 21 are having issues with talking/approving the 22 warranty for Central/Universal on the 2018 and 2019 23 units. Here are the issues at hand on 840 24 2018/2019 trades that pushed out due to collision</p>

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<p>1 mitigation, A26 shortages and production 2 constraints (causing changes to cover letter before 3 we could have customer sign).</p> <p>4 You see that; right?</p> <p>5 A. Yes.</p> <p>6 Q. So you are at this point telling Mark 7 Belisle that the production issues were the 8 collision mitigation. That's Bendix; right?</p> <p>9 A. Yes.</p> <p>10 Q. A26 shortages?</p> <p>11 A. Yes.</p> <p>12 Q. And production constraints that occurred 13 before the customer signed; correct?</p> <p>14 A. Correct.</p> <p>15 Q. All right. Do you recall ever conveying 16 to anyone at Navistar that there were any 17 production constraints that -- besides the A26 and 18 the Bendix that would have impacted Central before 19 the trucks should have been produced by -- well, 20 let me put it another way.</p> <p>21 Were there any other issues by June of 22 2022, besides Bendix and the A26 shortage, that you 23 claimed affected the Central build?</p> <p>24 A. That I --</p>	<p>1 an e-mail between you and Kerri Podewell. 2 Do you see that?</p> <p>3 A. Yes, sir.</p> <p>4 Q. And that's the one I want to talk about 5 dated June 28, 2022. All right? And you say: 6 Kerri, I would like to seek approval for the 7 following outstanding items for the Central, 8 Universal and PAM Transportation. As you are 9 aware, finalizing this deal has been an ongoing 10 process. No sooner did we finalize a no trade 11 agreement, we had to adjust for Bendix, then 12 shortly after that, we had to convert from A26 to 13 X15 due to supply constraints, all causing us to 14 miss our projected delivery schedule of June, now 15 more like September.</p> <p>16 Do you see that?</p> <p>17 A. Yes.</p> <p>18 Q. Okay. So I just want to explain. When 19 say no sooner did we finalize a no trade agreement 20 we had to adjust for Bendix, you're talking about 21 that deal sheet from January, not the final signed 22 agreement; correct?</p> <p>23 A. Based on this, I would say that would be 24 accurate.</p>
<p style="text-align: center;">Page 387</p> <p>1 MR. SALLAH: Object to form. 2 BY MR. DAVIS:</p> <p>3 Q. Yeah. Well, we just talked -- you just 4 told Mark Belisle about A26 shortages, Bendix, and 5 production constraints that all arose before he 6 signed; right?</p> <p>7 A. As that states, yes.</p> <p>8 Q. Have you ever -- were there any other 9 supply chain issues that would have impacted 10 Central by the time all those trucks should have 11 been produced in June 2022?</p> <p>12 A. I do not recall.</p> <p>13 Q. Okay. So as you sit here, you cannot 14 think of one?</p> <p>15 A. I do not recall at this time.</p> <p>16 Q. Okay. This is going to be 188. 17 (WHEREUPON, a certain document was 18 marked Exhibit No. 188, for 19 identification, as of August 21, 20 2024.)</p> <p>21 BY MR. DAVIS:</p> <p>22 Q. All right. So we are looking here that 23 Kevin O'Brien -- the top is an e-mail between you 24 and Kevin O'Brien, and then two down from there is</p>	<p style="text-align: center;">Page 389</p> <p>1 Q. Okay. And then you say: Shortly after 2 that, we had to convert from A26 to X15 due to 3 supply constraints. Again, that was before you 4 signed Exhibit 36; correct?</p> <p>5 A. I would believe so.</p> <p>6 Q. Okay. And then you say: All causing us 7 to miss our projected delivery schedule of June, 8 now more like September. Right?</p> <p>9 A. That's what it states, yes.</p> <p>10 Q. So at this point, you were not telling 11 Kerri Podewell on June 28th that there were any 12 other production issues affecting this deal; 13 correct?</p> <p>14 A. I was keeping it very high level. I do 15 not know if there was more constraints at that time 16 or not. I do not recall.</p> <p>17 Q. Well, if there were, you certainly 18 didn't include them in this communication to Kerri 19 Podewell. You would agree; right?</p> <p>20 A. That would be a fair statement, yes.</p> <p>21 Q. And your memory as to what those 22 constraints could have been would have been a lot 23 fresher in June of 2022 than today, August of 2024. 24 You'd agree with that; right?</p>

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<p style="text-align: right;">Page 390</p> <p>1 A. I believe that's a fair statement.</p> <p>2 Q. All right. And, Mr. Carmichael, I just</p> <p>3 want to ask you this frankly. You have repeatedly,</p> <p>4 internally in Navistar, expressed your view that</p> <p>5 Navistar had promised those trucks to Central by</p> <p>6 June of 2022; correct?</p> <p>7 A. Based on production availability, yes.</p> <p>8 Q. Now, you had said that without the</p> <p>9 caveat of production availability. You said we</p> <p>10 promised them trucks in June of 2022. Would you</p> <p>11 agree with that?</p> <p>12 MR. SALLAH: Object to form.</p> <p>13 BY THE WITNESS:</p> <p>14 A. In certain transcripts internally, yes,</p> <p>15 at a high level.</p> <p>16 BY MR. DAVIS:</p> <p>17 Q. Let's give you 189.</p> <p>18 (WHEREUPON, a certain document was</p> <p>19 marked Exhibit No. 189, for</p> <p>20 identification, as of August 21,</p> <p>21 2024.)</p> <p>22 MR. SALLAH: Where are we at on time?</p> <p>23 THE VIDEOGRAPHER: 6.47.</p> <p>24 MR. DAVIS: I'm sorry. What number did I just</p>	<p style="text-align: right;">Page 392</p> <p>1 everyone is aware of the November 1st</p> <p>2 implementation, the customer is extremely upset for</p> <p>3 the following reasons.</p> <p>4 And you said: A) All builds were to be</p> <p>5 completed by the end of June per written agreement</p> <p>6 that came after order board and allocation</p> <p>7 adjustment.</p> <p>8 You see that; correct?</p> <p>9 A. Yes.</p> <p>10 Q. Okay. B) We had a no trade agreement</p> <p>11 that made it very important to hit the June date so</p> <p>12 Central could sell those 2017, 2018, 2019 units in</p> <p>13 the open market as UTO continues to lowball the</p> <p>14 trades.</p> <p>15 You said that; correct?</p> <p>16 A. Yes, I did.</p> <p>17 Q. And that was true?</p> <p>18 A. Based on my knowledge at that time.</p> <p>19 Q. All right. And then you said a few</p> <p>20 lines down: Unfortunately, we could not produce</p> <p>21 the new trucks as promised so Central could pull</p> <p>22 out the trades in time.</p> <p>23 Correct?</p> <p>24 A. Yes.</p>
<p style="text-align: right;">Page 391</p> <p>1 mark this as.</p> <p>2 THE WITNESS: 189.</p> <p>3 BY MR. DAVIS:</p> <p>4 Q. So this is an e-mail from December of</p> <p>5 2022 from you to Kerri Podewell; correct?</p> <p>6 A. 12/13/2022, yes.</p> <p>7 Q. Yes. All right. And so -- Couple of</p> <p>8 things that we need to align with on start.</p> <p>9 So you are telling Kerri Podewell the</p> <p>10 following: Current MY2023 deal 1100 units.</p> <p>11 That's the Exhibit 36 deal; correct?</p> <p>12 A. Can you give me a moment just to read?</p> <p>13 Q. Yeah, please.</p> <p>14 A. Go ahead, sir.</p> <p>15 Q. So in this, you're discussing the issue</p> <p>16 of because production of these trucks was going to</p> <p>17 pass into 2023, Navistar was indicating that they'd</p> <p>18 have to pay a surcharge charge on the 2022 -- 2023</p> <p>19 vehicles; right?</p> <p>20 A. Yes.</p> <p>21 Q. Okay. And you were attempting to</p> <p>22 resolve that issue for the customer here?</p> <p>23 A. Yes.</p> <p>24 Q. Okay. And what you said is that: As</p>	<p style="text-align: right;">Page 393</p> <p>1 Q. And that's what you believed at the</p> <p>2 time; right?</p> <p>3 A. That is correct.</p> <p>4 Q. All right. Do you still believe that?</p> <p>5 A. Repeat differently.</p> <p>6 Q. Do you still believe that you had a no</p> <p>7 trade agreement that made it very important to hit</p> <p>8 the June dates so Central could sell these 2017,</p> <p>9 2018, 2019 units in the open market as UTO</p> <p>10 continues to lowball the trades. Do you still</p> <p>11 believe that today?</p> <p>12 A. Yes.</p> <p>13 Q. Okay. And you agree that we -- that we,</p> <p>14 Navistar, could not produce the new trucks as</p> <p>15 promised so Central could pull out the trades in</p> <p>16 time. You still agree with that today; correct?</p> <p>17 A. The trade, based on that date of -- the</p> <p>18 date of production, yes.</p> <p>19 Q. Yeah. As promised, that day being the</p> <p>20 end of June; right?</p> <p>21 A. Again, based on the letter and</p> <p>22 production availability and this, yes.</p> <p>23 MR. DAVIS: Okay. I think I'm almost done</p> <p>24 here. Yeah. So I'm going to send -- I'm going to</p>

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<p style="text-align: right;">Page 394</p> <p>1 give you this document. I want to make sure, are 2 you going to dispute this is the one from 3 Allegiance? I can probably pull up the same copy 4 from you guys, but -- if I need to.</p> <p>5 MR. SALLAH: What do you mean dispute?</p> <p>6 MR. DAVIS: That's the copy that was -- well, 7 we used that at the earlier deposition, but I have 8 the same copy from Navistar. If we have to go off 9 the record so I can pull the one from Navistar, I 10 will, but --</p> <p>11 MR. SALLAH: Do you know the exhibit number?</p> <p>12 MR. DAVIS: Yeah, I'll have to find that. 13 Give me -- well, actually, you know what? Let's 14 just -- I think this will be my last question, so 15 let's go off the record. I'll get the one that you 16 produced, and then we won't have to have any 17 disputes about it, and then we'll be done.</p> <p>18 THE VIDEOGRAPHER: Going off the record. The 19 time is 5:33 p.m.</p> <p>20 (WHEREUPON, a short break was 21 taken.)</p> <p>22 THE VIDEOGRAPHER: Going on the record. The 23 time is 5:35 p.m.</p> <p>24</p>	<p style="text-align: right;">Page 396</p> <p>1 A. Correct. 2 Q. Okay. Customer accepted the LT. So 3 this is customer accepted the X15 engines in March 4 of 2022; correct?</p> <p>5 A. Yes. 6 Q. Okay. Again, before the cover letter 7 was signed by you; correct?</p> <p>8 A. Before, yes. 9 Q. And then updated cover letter May 2022 10 because that's when Kyle signed; correct?</p> <p>11 A. That would be true. 12 Q. Okay. And then you list in your 13 presentation October 2022 was when customer was 14 notified re WABCO brake issue. 15 You see that?</p> <p>16 A. Yes, sir. 17 Q. Does that refresh your recollection that 18 the brake issue in question was in October of 2022?</p> <p>19 A. That would be a fair statement. 20 Q. Okay. And then the customer accepted in 21 November 2022; correct?</p> <p>22 A. Yes. 23 Q. And what that was is he agreed to take a 24 different brake than the one that was --</p>
<p style="text-align: right;">Page 395</p> <p>1 BY MR. DAVIS: 2 Q. All right. So I'm going to show you 3 what was produced by Navistar as NAV00029810. And 4 I think you discussed, you do recall having a 5 meeting in Detroit in June of 2023 where you and 6 others from Navistar met with Kyle Blain and others 7 from Central and Universal; correct?</p> <p>8 A. Correct. 9 Q. All right. And you remember putting 10 together this PowerPoint presentation that you gave 11 at that meeting; right?</p> <p>12 A. Yes, sir. 13 Q. All right. So I just want to go to -- 14 now, you do state in here in 2022 industry 15 headwinds, you indicate supply chain issues 16 consisted of front-side radar, collision 17 mitigation, engines, frame rails, brakes, and 18 semiconductor chips; correct?</p> <p>19 A. Yes. 20 Q. Okay. But then you have a chart with a 21 production timeline, and you indicate July 21, 22 original cover letter proposed, August 2021, orders 23 placed. The collision mitigation you list as 24 happening in January of 2022; correct?</p>	<p style="text-align: right;">Page 397</p> <p>1 A. That he preferred, correct. 2 Q. That he preferred, right. And you would 3 agree with me, again, that if the brake issue 4 didn't occur until October 2022, that was after all 5 the trucks should have been produced under 6 Exhibit 36, June of 2022; correct?</p> <p>7 A. Based on that production schedule and product availability. 8 Q. And then you list new trucks delivered, 9 855 new trucks were delivered by December is what 10 this chart shows; right?</p> <p>11 A. That is correct. I can't read it that small, but I'll take your word for it. 12 Q. Yeah. Well, if you -- 13 A. Could I see that? 14 Q. Well that's -- just for the record, 15 that's Allegiance. Let's give the -- 16 A. Oh. 17 Q. Yeah. 18 A. Yes. 19 Q. All right. 20 A. 855. 21 MR. SALLAH: I'm just going to note if we're 22 going to do the depositions in person, I just --</p>